

Washington State Auditor's Office

Report on Financial Statements Audit

Thurston Conservation District Thurston County

Audit Period

January 1, 2001 through December 31, 2001

Report No. 64231

Issue Date
December 17, 2002



Washington
State Auditor
Brian Sonntag



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December 17, 2002

Board of Supervisors
Thurston Conservation District
Olympia, Washington

Report on Financial Statements

Please find attached our report on the Thurston Conservation District's financial statements.

We are issuing this report now in order to provide information on the District's financial condition.

In addition to this work, we look at other areas of our audit clients' operations for compliance with state laws and regulations. The results of that review will be included in our regular audit report, which will be issued separately.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Sonntag".

BRIAN SONNTAG, CGFM
STATE AUDITOR

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Thurston County
January 1, 2001 through December 31, 2001**

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Independent Auditors Report on Financial Statements

Thurston Conservation District Thurston County January 1, 2001 through December 31, 2001

Board of Supervisors
Thurston Conservation District
Olympia, Washington

We have audited the accompanying financial statements of the Thurston Conservation District, Thurston County, Washington, for the year ended December 31, 2001. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1B to the financial statements, the District prepares its financial statements on the cash basis of accounting that demonstrates compliance with Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the recognized revenues and expenditures of the funds of the Thurston Conservation District, for the year ended December 31, 2001, on the cash basis of accounting described in Note 1B.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. The accompanying Schedule of State and Local Financial Assistance is presented for purposes of additional analysis. This schedule is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole.



BRIAN SONNTAG, CGFM
STATE AUDITOR

December 2, 2002

Financial Statements

**Thurston Conservation District
Thurston County
January 1, 2001 through December 31, 2001**

FINANCIAL STATEMENTS

Revenues and Expenses Arising from Cash Transactions – 2001
Notes to Financial Statements – 2001

ADDITIONAL INFORMATION

Schedule of State and Local Financial Assistance – 2001
Schedule of Expenditures of Federal Awards – 2001